



Overview of Current Salary Structure and Alternative Compensation Structures

House
K-12 Finance
Work Group

House Appropriations and Education Committees
K-12 Finance Workgroup

May 12, 2004

Presentation by

Jennifer Wallace, Professional Educator Standards Board

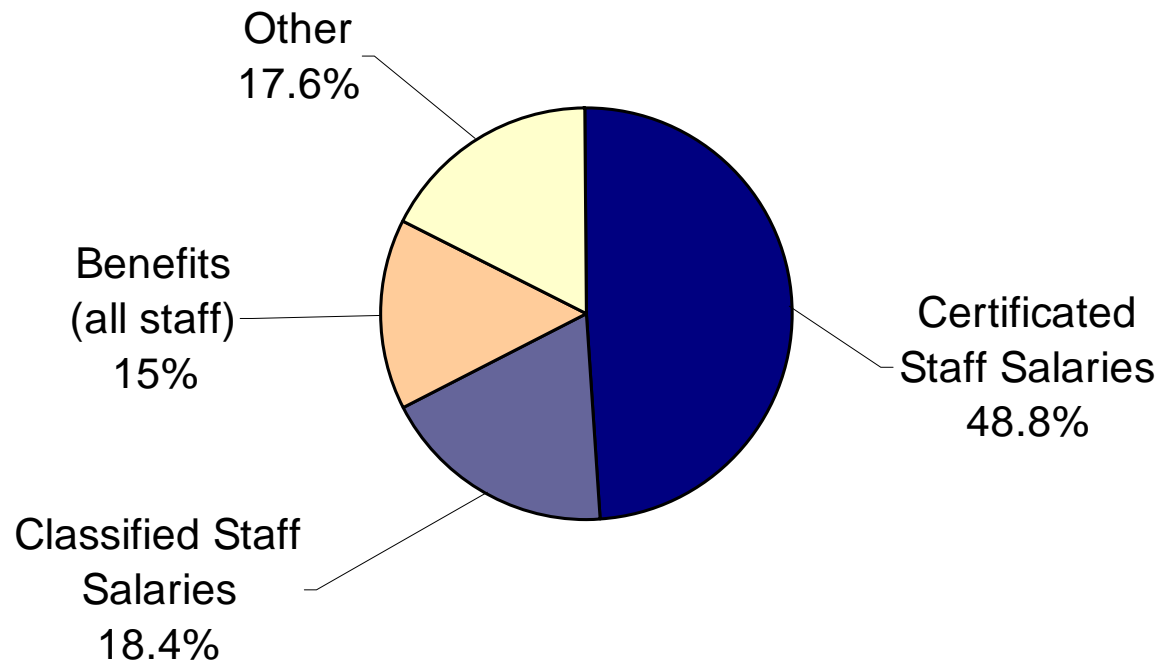
Julie Salvi, Office of Financial Management



Salaries and Benefits Account for Over 80% of School District Expenditures

House
K-12 Finance
Work Group

2002-03 School District Expenditures



Source: OSPI Financial Reporting Summary District Fiscal Year 2002-03;
Based on school district general fund expenditures.



The Current Salary Allocation Model, which influences local salary schedules, rewards more years of service & additional education credits.

House
K-12 Finance
Work Group

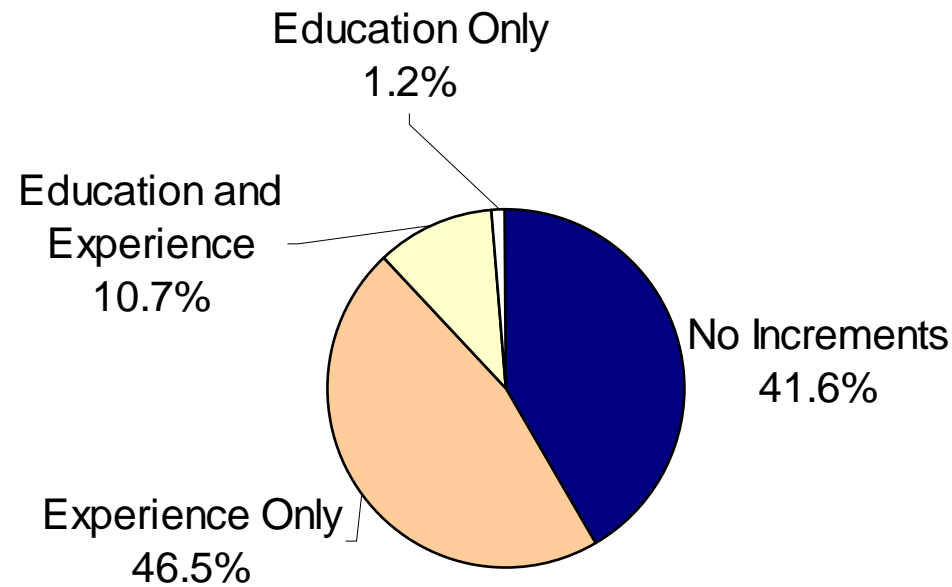
K-12 Salary Allocation Schedule For Certificated Instructional Staff 2003-04 School Year

Years of Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	MA+90 or PHD
0	29,149	29,936	30,752	31,568	34,192	35,881	34,947	37,570	39,262
1	29,540	30,339	31,165	32,019	34,669	36,350	35,335	37,985	39,665
2	30,060	30,870	31,709	32,633	35,289	36,995	35,901	38,556	40,262
3	30,747	31,574	32,429	33,392	36,069	37,833	36,630	39,306	41,071
4	31,285	32,151	33,017	34,018	36,724	38,510	37,208	39,914	41,701
5	31,840	32,716	33,594	34,655	37,365	39,196	37,798	40,509	42,340
6	32,251	33,108	34,016	35,131	37,827	39,667	38,213	40,910	42,750
7	33,139	34,012	34,937	36,118	38,868	40,769	39,185	41,934	43,836
8	34,202	35,122	36,069	37,348	40,135	42,106	40,414	43,202	45,172
9		36,272	37,266	38,591	41,443	43,481	41,656	44,510	46,548
10			38,477	39,898	42,788	44,894	42,964	45,855	47,960
11				41,243	44,196	46,344	44,309	47,263	49,410
12				42,545	45,642	47,854	45,707	48,708	50,921
13					47,123	49,401	47,154	50,189	52,467
14					48,611	51,006	48,644	51,775	54,073
15					49,876	52,333	49,908	53,121	55,479
16					50,873	53,379	50,906	54,183	56,588



In the 2002-03 school year, 42% of all teachers received no increment increase, and 58% received some kind of increment increase.

House
K-12 Finance
Work Group





Allocation Model versus Salary Schedule

- ❖ Most, but not all districts, have chosen to adopt a salary schedule exactly like or similar to the one used for allocating state funds.
- ❖ 34 districts remain grandfathered at a higher allocation rate.
- ❖ State salary control restricts local districts' ability to vary from the schedule within their base salary contracts.



In Washington, total pay for teachers is a combination of base pay and supplemental pay for additional time, responsibility, or incentives (TRI)

House
K-12 Finance
Work Group

Statewide Average Teacher Salaries for 2002-03 School Year

Base	\$45,264
TRI*	<u>5,865</u>
Total	\$51,129

*Note: Average TRI salaries calculated based on reported total salaries and base salaries. This difference is primarily supplemental contracts, but can include sick leave buyouts, changes to the base pay during the school year, and other adjustments.



Strengths of Washington's Single-Salary Allocation Model

House
K-12 Finance
Work Group

- ❖ Intentionally objective.
- ❖ Based on level of education and experience.
- ❖ Intended to allow districts equal ability to attract and hire teachers.
- ❖ No penalty for hiring more experienced (costly) teachers.



Limitations of Washington's Single-Salary Allocation Model

House
K-12 Finance
Work Group

- ❖ No recognition of cost-of-living differences among districts.
- ❖ Creates no incentives related to service in high-need districts or schools (e.g. low performing, critical shortages).
- ❖ Based on credits and time, yet system of educator development is increasingly based on performance.



Movement toward performance-based system of teacher development

House
K-12 Finance
Work Group

- ❖ 1997: State Board of Education adopted WACs to establish a new, performance-based system of educator preparation and certification.
- ❖ Stated Purpose: “To ensure that educators can demonstrate a positive impact on student learning.”
- ❖ Includes new standards for preparation programs, new certification standards for teachers.



Movement toward performance-based system of teacher development

House
K-12 Finance
Work Group

	Previous System	System WA is Implementing
First-Tier Certificate	Initial Certificate Successful completion of generally uniform sequence of course requirements.	Residency Certificate (effective 2000) Completion based on prospective teacher demonstrating they have met state-defined knowledge and skill standards, including positive impact on student learning.
Second-Tier Certificate	Continuing Certificate Any Master's Degree or BA+45 credits.	Professional Certificate (effective 2001) Completion based on demonstrated competency against uniform standards. Can be completed in as little as 15 credits.



Movement toward performance-based system of teacher development

House
K-12 Finance
Work Group

	Previous System	System WA is Implementing
Professional Development / Continuing Certification	150 Clock Hours every five years - individually determined.	150 Clock Hours – aligned with Knowledge and Skill Standards (WAC 180-78A-540) or Salary-Related Criteria (RCW 28A.415.023) OR 7-district pilot to use Approved Professional Growth Plans for certificate renewal.



Professional Certificate: Teachers provide evidence to demonstrate they meet standards

House
K-12 Finance
Work Group

Three Standards / 17 criteria:

- ❖ Effective Teaching
- ❖ Professional Development
- ❖ Leadership

Three Parts to Process in context of employment setting:

1. Pre-assessment Seminar

- ▶ Formulate Professional Growth Plan (PGP) with guidance of team (colleague, higher ed rep, district rep) taking into consideration strengths, areas of needed growth, district/school learning goals.

2. “Core”

- ▶ Variety of professional development related to PGP that will enable a teacher to demonstrate attainment of standards.

3. Culminating Seminar

- ▶ Present evidence in portfolio of artifacts.



A salary allocation model based on credits and time is misaligned with emerging system of teacher development that is performance-based.

House
K-12 Finance
Work Group

Previous System	System WA is Implementing
Based on courses, credits and time.	Performance-based; requires demonstrated competency.



A salary allocation model based on credits and time is misaligned with emerging system of teacher development that is performance-based.

House
K-12 Finance
Work Group

Example 1: Previous System:

A 4th-year teacher meets requirements for second-tier (continuing) certificate by accumulating any 45 credits.

**K-12 Salary Allocation Schedule For Certificated Instructional Staff
2003-04 School Year**

Years of Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	MA+90 or PHD
0	29,149	29,936	30,752	31,568	34,192	35,881	34,947	37,570	39,262
1	29,540	30,339	31,165	32,019	34,669	36,350	35,335	37,985	39,665
2	30,060	30,870	31,709	32,633	35,289	36,995	35,901	38,556	40,262
3	30,747	31,574	32,429	33,322	36,069	37,833	36,630	39,306	41,071
4	31,285	32,151	33,017	34,018	36,724	38,510	37,208	39,914	41,701
5	31,840	32,716	33,594	34,655	37,365	39,196	37,798	40,509	42,340
6	32,251	33,108	34,016	35,131	37,827	39,667	38,213	40,910	42,750
7	33,139	34,012	34,937	36,118	38,868	40,769	39,185	41,934	43,836
8	34,202	35,122	36,069	37,348	40,135	42,106	40,414	43,202	45,172
9		36,272	37,266	38,591	41,443	43,481	41,656	44,510	46,548
10			38,477	39,898	42,788	44,894	42,964	45,855	47,960
11				41,243	44,196	46,344	44,309	47,263	49,410
12				42,545	45,642	47,854	45,707	48,708	50,921
13					47,123	49,401	47,154	50,189	52,467
14					48,611	51,006	48,644	51,775	54,073
15					49,876	52,333	49,908	53,121	55,479
16					50,873	53,379	50,906	54,183	56,588



A salary allocation model based on credits and time is misaligned with emerging system of teacher development that is performance-based.

House
K-12 Finance
Work Group

Example 1: New System:

A 4th-year teacher meets requirements for second-tier (professional) certificate. Her “core” involves no formal credits and she completes the program with only the 15 credits for her preassessment and culminating seminar.

**K-12 Salary Allocation Schedule For Certificated Instructional Staff
2003-04 School Year**

Years of Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	MA+90 or PHD
0	29,149	29,936	30,752	31,568	34,192	35,881	34,947	37,570	39,262
1	29,540	30,339	31,165	32,019	34,669	36,350	35,335	37,985	39,665
2	30,060	30,870	31,709	32,633	35,289	36,995	35,901	38,556	40,262
3	30,747	31,571	32,429	33,322	36,069	37,833	36,630	39,306	41,071
4	31,285	32,151	33,017	34,018	36,724	38,510	37,208	39,914	41,701
5	31,840	32,716	33,594	34,655	37,365	39,196	37,798	40,509	42,340
6	32,251	33,108	34,016	35,131	37,827	39,667	38,213	40,910	42,750
7	33,139	34,012	34,937	36,118	38,868	40,769	39,185	41,934	43,836
8	34,202	35,122	36,069	37,348	40,135	42,106	40,414	43,202	45,172
9		36,272	37,266	38,591	41,443	43,481	41,656	44,510	46,548
10			38,477	39,898	42,788	44,894	42,964	45,855	47,960
11				41,243	44,196	46,344	44,309	47,263	49,410
12				42,545	45,642	47,854	45,707	48,708	50,921
13					47,123	49,401	47,154	50,189	52,467
14					48,611	51,006	48,644	51,775	54,073
15					49,876	52,333	49,908	53,121	55,479
16					50,873	53,379	50,906	54,183	56,588



A salary allocation model based on credits and time is misaligned with emerging system of teacher development that is performance-based.

House
K-12 Finance
Work Group

Example 2:

Because a performance-based system can assess prior knowledge and experience and adjust requirements accordingly:

Teacher 1: completes teacher prep program in 27 credits - achieves residency certificate

Teacher 2: completes teacher prep program in 62 credits - achieves residency certificate

**K-12 Salary Allocation Schedule For Certificated Instructional Staff
2003-04 School Year**

Years of Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	MA+90 or PHD
0	29,149	29,936	30,752	31,568	34,192	35,881	34,947	37,570	39,262
1	29,540	30,339	31,165	32,019	34,669	36,350	35,335	37,985	39,665
2	30,060	30,870	31,709	32,633	35,289	36,995	35,901	38,556	40,262
3	30,747	31,574	32,429	33,392	36,069	37,833	36,630	39,306	41,071
4	31,285	32,151	33,017	34,018	36,724	38,510	37,208	39,914	41,701
5	31,840	32,716	33,594	34,655	37,365	39,196	37,798	40,509	42,340
6	32,251	33,108	34,016	35,131	37,827	39,667	38,213	40,910	42,750
7	33,139	34,012	34,937	36,118	38,868	40,769	39,185	41,934	43,836
8	34,202	35,122	36,069	37,348	40,135	42,106	40,414	43,202	45,172
9		36,272	37,266	38,591	41,443	43,481	41,656	44,510	46,548
10			38,477	39,898	42,788	44,894	42,964	45,855	47,960
11				41,243	44,196	46,344	44,309	47,263	49,410
12				42,545	45,642	47,854	45,707	48,708	50,921
13					47,123	49,401	47,154	50,189	52,467
14					48,611	51,006	48,644	51,775	54,073
15					49,876	52,333	49,908	53,121	55,479
16					50,873	53,379	50,906	54,183	56,588



A salary allocation model based on credits and time is misaligned with emerging system of teacher development that is performance-based.

House
K-12 Finance
Work Group

Example 3:

Teacher 1: Accumulates 150 clock hours to maintain certificate.

Teacher 2: Has been serving as mentor teacher and chair of district's math curriculum committee. Her district doesn't award clock hours for this, so she must scale back on those activities to quickly go pick up some clock hours to maintain her certificate.

Teacher 3: Employed in one of 7 districts piloting use of Professional Growth Plans for continuing education / certificate maintenance. Successfully-completed PGPs are awarded 150 clock hours.



A salary allocation model based on credits and time is misaligned with emerging system of teacher development that is performance-based.

House
K-12 Finance
Work Group

Example 4:

Teacher 1: Awarded additional subject-matter endorsement after completing 18-credit higher education program. Can apply that 18 credits toward movement up salary schedule.

Teacher 2: Awarded additional subject-matter endorsement after successfully passing the Praxis II subject knowledge test. Earns no credits toward salary schedule.

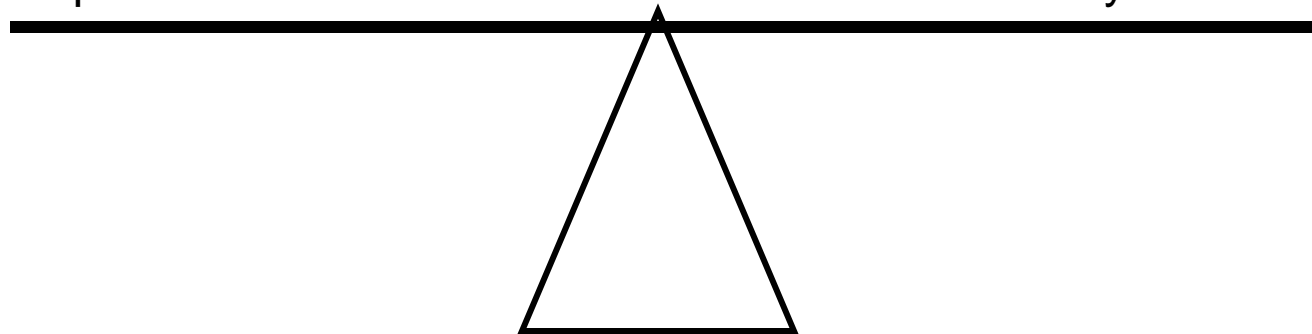


A salary allocation model based on credits and time is misaligned with emerging system of teacher development that is performance-based.

- ❖ All teachers must attain the same standards required by the state, but they do not attain the same salary eligibility when they do.
- ❖ Ideally, what the state requires should be reflected in the system by which it compensates.

Achievement of
State Requirements

Eligibility on State
Salary Allocation Model





Alternative Compensation Structures

House
K-12 Finance
Work Group



Alternative Compensation Structures

House
K-12 Finance
Work Group

- ❖ Differential or Market-Based Pay
- ❖ Group Performance Incentives
- ❖ Knowledge and Skills Based Pay



Differential or Market-Based Pay

- ❖ Often used to address shortages or distribution issues.
 - ▶ Signing bonuses
 - Arkansas one-time \$4,000 signing bonus for licensed teachers to teach in 'high priority' districts; additional \$3,000 annual bonus in next 2 years if teacher remains in district.
 - ▶ Bonuses for Teaching in High Need Schools and/or Certification Shortage Areas
 - Teach Louisiana First Program provides \$4,000 - \$6,000 bonuses for teaching in critical shortage areas, failing schools, or disadvantaged geographical areas.
 - ▶ Adjustments for Cost of Living Differences
 - Colorado basic support program includes a regional cost of living factor used to adjust the assumed personnel cost portion of the formula.



Group Performance Incentives

- ❖ Provides financial or other rewards to recognize improvement.
 - ▶ North Carolina ABCs Program – Incentive Based on School Scores
 - Expected growth: \$750 for certificated staff & \$375 for teacher assistants.
 - Exemplary growth: \$1,500 for certificated staff & \$500 for teacher assistants.
 - ▶ Pennsylvania School Incentive Program
 - Provides funding based on improvement of scores, improvement in attendance, or maintenance of high standards. All measures are based on comparisons to the school's past performance.
 - 50% of the school award must be spent on planning, delivery, and assessment of the instructional program, including staff development for these purposes.
 - 25% may be used for staff bonuses.
 - 25% may be spent at the school committee's discretion.



Knowledge and Skill Based Pay

- ❖ Rewards specific, demonstrated knowledge or skills.
- ❖ Minimum requirement: measurable skills and credible assessments.
- ❖ Distinction between ‘knowledge and skills based pay’ and traditional merit pay systems:
 - ▶ Knowledge and Skills Based Pay rewards all individuals who develop and demonstrate specific knowledge and skills.
 - ▶ Merit pay rewards “best” teachers, not necessarily all who develop skills.
- ❖ Wide variety of examples:
 - ▶ Specific bonuses added to traditional salary schedules.
 - ▶ Re-structuring of the traditional base salary schedule.
 - ▶ Some focus on demonstrated knowledge, while other versions focus on career pathways for teachers, such as mentorship roles.



Knowledge and Skill Based Pay – Examples of re-structuring of schedule and add-on approaches.

House
K-12 Finance
Work Group

Full Knowledge- and Skill-Based Pay Plus Additions

	Step	BA	MA	MA+90 or PhD
Entry	1	\$\$	\$\$	\$\$
	2	\$\$	\$\$	\$\$
Basic	1	\$\$	\$\$	\$\$
	2	\$\$	\$\$	\$\$
Career	1	\$\$	\$\$	\$\$
	2	\$\$	\$\$	\$\$
	3	\$\$	\$\$	\$\$
	4	\$\$	\$\$	\$\$
	5	\$\$	\$\$	\$\$
	6	\$\$	\$\$	\$\$
	7	\$\$	\$\$	\$\$
	8	\$\$	\$\$	\$\$
Master	1	\$\$	\$\$	\$\$
	2	\$\$	\$\$	\$\$
	3	\$\$	\$\$	\$\$
	4	\$\$	\$\$	\$\$
Advanced	1		\$\$	\$\$
	2		\$\$	\$\$
	3		\$\$	\$\$
	4		\$\$	\$\$

Can include additional pay based on state or local identified knowledge- and skill-based or other differential factors, including:

- Added endorsement
- Teaching in subject shortage areas (math, bilingual, special education) or hard-to-staff schools (rural/remote or low-performing)
- Regional cost of living adjustments
- National Board certification
- Addition of skills needed as part of improvement plan (e.g., technology skills)
- Leadership roles within schools (instructional leader, curriculum specialists, mentor)

An Add-On Approach to Existing Structure

Step	BA	MA	MA+	Knowledge and Skills
1				Developing Professional +5%
2				Proficient +10%
				Advanced +15%
n				National Board Certified +20%



Knowledge and Skills Based Pay – Approaches for Evaluating Knowledge and Skills

- ❖ Classroom observations based on detailed standards or rubrics:
 - ▶ Assessments to measure when individuals have met standards often handled through multiple classroom observations, possibly with a team of evaluators, and/or assessments of teaching practice.
- ❖ Portfolio of instructional unit:
 - ▶ Portfolios tend to include a combination of materials on which to base an evaluation, which could include gathering lesson plans, student work throughout the unit, final unit assessment, and videotaping classroom practice.
- ❖ Standards-based professional development:
 - ▶ Require demonstration of skills as condition for successful completion of professional development, which may use a variety of evaluation approaches such as classroom observations and/or portfolios.



Example of Rubric: Seattle Professional Practice Standards

House
K-12 Finance
Work Group

Standard: **Effective Teaching and Learning - Planning and Preparation**
1.6 Using Assessment to Inform and Improve Instruction

Examples

Element	Below Standard	Approaching Standard (Basic)	At Standard (Proficient)	Above Standard (Distinguished)
Using assessment results	Teacher does not use assessment results for planning or to differentiate instruction.	Teacher uses assessment results to plan for the class as a whole and sometimes differentiates instruction.	Teacher uses assessment results to plan for groups and individual students. Assessment results are used to differentiate instruction.	The teacher includes students in all aspects of the learning process including assessment and planning. The teacher has a large repertoire of skills that he/she uses to differentiate instruction.
Variety of assessments	Teacher does not use varied forms of assessment.	Teacher uses some forms of summative assessment and/or formative assessment.	Teacher uses varied forms of assessment including both formative and summative assessments.	Teacher uses multiple assessment tools as an ongoing reflective activity that produces evidence documenting the learning process and levels of mastery.

Source: Professional Practice Standards, Seattle Public Schools.

Note - Seattle does not use these standards as a basis for alternative pay structures.



Knowledge and Skills Based Pay – National Board Bonuses

House
K-12 Finance
Work Group

- ❖ Annual bonuses based on a flat dollar amount per year.
- ❖ Annual salary increases based on a percentage of pay.
- ❖ One-time bonuses.
- ❖ Targeted strategies.
- ❖ Matching local effort.



Knowledge and Skills Based Pay – National Board Bonuses

House
K-12 Finance
Work Group

- ❖ Annual bonuses based on a flat dollar amount per year.
 - ▶ \$1,000: Kansas, Ohio (certified after 2004)
 - ▶ \$2,000: Kentucky, Idaho, South Dakota
 - ▶ \$2,500: Iowa (certified after 5/00), Ohio (certified before 2005), Virginia (1st yr \$5,000), West Virginia, Wisconsin
 - ▶ \$3,000: Arkansas (2003-04), Illinois
 - ▶ \$3,500: Washington
 - ▶ \$5,000: Alabama, Arkansas (beginning 2004-05), Hawaii, Iowa (certified before 5/00), Louisiana, Oklahoma
 - ▶ \$6,000: Mississippi
 - ▶ \$7,500: South Carolina
- ❖ Annual salary increases based on a percentage of pay.
 - ▶ 5%: Nevada
 - ▶ 10%: Georgia, Florida
 - ▶ 12%: Delaware, North Carolina



Knowledge and Skills Based Pay – National Board Bonuses

House
K-12 Finance
Work Group

❖ One-time bonuses

- ▶ \$2,500: Vermont
- ▶ \$3,000 Montana

❖ Targeted strategies

- ▶ Illinois: Additional \$1,000 for mentoring and/or \$3,000 to assist candidates in high risk/low performing schools.
- ▶ Massachusetts: \$5,000 annual increase if serving as a mentor.
- ▶ Florida: Additional 10% bonus for those who agree to provide the equivalent of 12 days of mentoring and related services.
- ▶ New York: \$10,000 annual stipend to teach in a low performing school and to assist in mentoring new teachers (3 year limit).
- ▶ California: \$20,000 bonus for teaching in a low performing school (paid in 4 annual installments).

❖ Matching local effort

- ▶ Maryland: State will match up to \$2,000 offered by local districts.



Knowledge and Skills Based Pay – Delaware: *Additional Pay for Completion of Approved Professional Development*

House
K-12 Finance
Work Group

2003-04 State Salary Schedule – Delaware Teachers

As Established by the Professional Development and Educator Accountability Act of 2000 and the State Budget for FY04

<i>"Left Side"</i>										<i>"Right Side"</i>	
Experience and Education *										Knowledge, Skills, and Responsibility-Based Supplements	
Yrs Exp	No Deg	Bach Deg	Bach + 15	Bach + 30	Mast Deg	Mast + 15	Mast + 30	Mast + 45	Doct Deg	Knowledge & Skills	Responsibility
0	22,653	23,597	24,541	25,485	26,901	27,844	28,788	29,732	30,676	2%, 4%, 6% of State salary. <i>Earned through completing approved professional development "clusters" that develop and validate targeted knowledge and skills.</i> 2% annual supplement for certification from National Board for Certified Counselors, National Association of School Psychologists, or National Board for Certification of School Nurses, effective FY'03. 12% annual supplement for NBPTS certification, effective FY'01. (Amount specified in Professional Development and Educator Accountability Act of 2000.)	\$750 - \$1500 <i>Earned by assuming leadership responsibilities that require additional time.</i> Responsibilities must be focused on school-improvement activities that impact student achievement. Supplements paid to Lead Mentors and Mentors for new teachers, effective FY'02, and for new administrators, effective FY'03.
1	22,889	23,833	24,777	25,721	27,137	28,080	29,024	29,968	30,912		
2	23,101	24,069	25,013	25,957	27,373	28,316	29,260	30,204	31,148		
3	23,951	24,895	25,839	26,783	28,198	29,142	30,086	31,030	31,974		
4	24,659	25,532	26,381	27,255	28,529	29,378	30,440	31,384	32,328		
5	25,532	26,381	27,255	28,104	29,378	30,251	31,101	31,974	32,823		
6	26,381	27,255	28,104	28,954	30,251	31,101	31,974	32,823	33,673		
7	27,255	28,104	28,954	29,827	31,101	31,974	32,823	33,673	34,546		
8	28,104	28,954	29,827	30,676	33,248	34,098	34,971	35,820	36,693		
9	28,954	29,827	30,676	31,526	34,098	34,971	35,820	36,693	37,543		
10			31,526	32,399	34,971	35,820	36,693	37,543	38,392		
11			32,399	33,248	35,820	36,693	37,543	38,392	39,265		
12				34,098	36,693	37,543	38,392	39,265	40,115		
13				34,971	37,543	38,392	39,265	40,115	40,964		
14					38,392	39,265	40,115	40,964	41,837		
15							40,964	41,837	42,687		

* State salary as indicated is approximately 70% of a Delaware teacher's total salary. Additional local salary is negotiated at the district level.

Source: Presentation by Delaware Department of Education, State Education Association and Professional Educator Standards Board;



Knowledge and Skills Based Pay – Iowa: *Changing the Base Salary Structure*

House
K-12 Finance
Work Group

- ❖ “Student Achievement and Teacher Quality” bill of 2001.
 - ▶ Statewide teaching standards.
 - ▶ New professional development strategy.
 - ▶ Induction and mentoring programs for new teachers.
 - ▶ Teacher evaluations.
 - ▶ School-based variable pay awards for improved student achievement.
 - ▶ New salary structure with four career levels.
(Beginning, Career, Career II, Advanced)



Knowledge and Skills Based Pay – Iowa:

Changing the Base Salary Structure

House
K-12 Finance
Work Group

❖ Eight Teaching Standards

- ▶ Demonstrate ability to enhance academic performance and support for and implementation of the district's student achievement goals.
- ▶ Demonstrate competence in content knowledge appropriate to the teaching position.
- ▶ Demonstrate competence in planning and preparing for instruction.
- ▶ Use strategies to deliver instruction that meets the multiple needs of students.
- ▶ Use a variety of methods to monitor student learning.
- ▶ Demonstrate competence in classroom management.
- ▶ Engage in professional growth.
- ▶ Fulfill professional responsibilities established by the school district.

❖ Standards guide 'research-based' professional development system

- ▶ All providers must provide proof of effectiveness to gain approval by the state department of education.



Knowledge and Skills Based Pay – Iowa: *Changing the Base Salary Structure*

House
K-12 Finance
Work Group

- ❖ Induction and mentoring programs for new teachers
 - ▶ Beginning teachers work with mentors for first two years.
 - ▶ Mentors earn minimum of \$500 additional pay per semester.
- ❖ Teacher evaluations
 - ▶ Teacher can advance to higher career levels by demonstrating abilities through comprehensive evaluations every 3 years, more often if requested.
 - ▶ Evaluations performed by trained administrators who receive additional \$1,000 bonus for completing state training.
 - ▶ During years in which teachers are not receiving the comprehensive evaluation, teachers receive evaluations aimed at focusing their professional development.



Knowledge and Skills Based Pay – Iowa: *Changing the Base Salary Structure*

House
K-12 Finance
Work Group

- ❖ School-based variable pay awards for improved student achievement
 - ▶ 13 Schools participated in 2001-02 pilot project to award bonuses to all teachers in a school if met goals for student achievement.
 - ▶ Evaluation of the first pilots was provided to the Legislature, with a recommendation for further pilots before full implementation.
- ❖ New salary structure with four career levels
(Beginning, Career, Career II, Advanced)
 - ▶ Increases teacher salaries, with focus on minimum beginning salaries.
 - ▶ Beginning and Career activated in 2001-02.
 - ▶ Other levels to be phased in after establishing model evaluation criteria, evaluator approval programs, statewide professional development networks and piloting of new levels in sample districts.



Knowledge and Skills Based Pay – Minnesota: *Pilot Program to Change the Base Pay Structure*

- ❖ A pilot program supports restructuring of teacher compensation system for teachers to improve their knowledge and skills and for school districts to recruit and retain highly qualified teachers.
- ❖ Five districts were selected in 2002, including Minneapolis.
- ❖ Participating districts develop an educational improvement plan, including following components:
 - ▶ Assessment and evaluation tools to measure student performance;
 - ▶ Performance goals and benchmarks for improvement;
 - ▶ Measures of student attendance and completion rates;
 - ▶ Rigorous professional development system;
 - ▶ Measures of student, family, and community involvement and satisfaction;
 - ▶ A data system about students and their academic progress that provides parents and the public with understandable information; and
 - ▶ A teacher induction and mentoring program.



Knowledge and Skills Based Pay – Minnesota: *Pilot Program to Change the Base Pay Structure*

House
K-12 Finance
Work Group

- ❖ Participating school districts' alternative teacher professional pay system must:
 - ▶ Describe the conditions necessary for career advancement and additional compensation;
 - ▶ Provide career advancement options for teachers retaining primary roles in student instruction;
 - ▶ Use a professional pay system that replaces the traditional salary schedule and is not based on years of experience;
 - ▶ Encourage teachers' continuous improvement in content, knowledge, pedagogy, and use of best practices; and
 - ▶ Implement an objective evaluation system, including classroom observation, that is aligned with the educational improvement plan.
- ❖ Must submit proposal jointly with the exclusive representative of the teachers.
- ❖ Funding: \$150 per enrollment (prior year); if less than 100% of teachers participate, amount is adjusted proportionately.



Knowledge and Skills Based Pay – Arizona: *Statewide Policy with Local Implementation*

- ❖ Proposition 301 passed in 2000 provides approximately \$445 million per year for education programs based on 0.6 cent sales tax increase
 - ▶ Largest component of funding is the Classroom Site Fund divided among the following uses:
 - 20% for across-the-board pay increases for teachers;
 - 40% for performance-based pay increases for teachers; and
 - 40% for site-chosen initiatives (class size reduction, teacher compensation increases, intervention programs, professional development, dropout prevention programs, and/or teacher liability insurance).
 - ▶ Other components include: five additional school days, a new student accountability information system, school safety programs, character education, aid to schools identified as failing, and higher education workforce development programs.



Knowledge and Skills Based Pay – Arizona: *Statewide Policy with Local Implementation*

House
K-12 Finance
Work Group

- ❖ Performance based pay under Proposition 301
 - ▶ On average, teachers' annual compensation is estimated to increase by \$3,500, with 2% to 8% of total salary based on performance.
 - ▶ The average increase could be higher depending on site-chosen initiatives.
 - ▶ State statute provides general guidance for local implementation.
 - ▶ Surveys of initial implementation indicate types of performance pay:
 - Most common type of performance pay in the first year was group-based bonuses.
 - Next most common scenario was a combination of group-based and individual bonuses.
 - Very few based their programs solely on individual performance.
 - A significant percent of districts indicated that their plans were temporary and may be revised in future years.
 - ▶ Surveys also summarized performance indicators selected:
 - Vast majority utilize a student achievement factor.
 - Very few rely solely on student achievement. Other indicators include: parent satisfaction, participation in professional development, student attendance, evaluation results, additional responsibilities, planning and goal setting, staff attendance, student dropout and graduation rates.



Knowledge and Skills Based Pay – Florida: *Statewide Career Ladder Program*

- ❖ Florida's Better Educated Students and Teachers (BEST) Program
 - ▶ 2003 Legislation authorized pilots and requires implementation by all Florida school districts by 2004-05 school year.
 - ▶ BEST program evolved from another pilot program: Florida Mentor Teacher Pilot, which was based on key principles of the Teacher Advancement Program (Milken Foundation).
 - ▶ Principles of BEST program:
 - Multiple career paths.
 - Market-driven compensation.
 - Performance-based accountability.
 - Ongoing, applied professional growth.
 - Highly qualified instruction of low-performing students.
 - Expanding the supply of high quality teachers.



Knowledge and Skills Based Pay – Florida: *Statewide Career Ladder Program*

- ▶ Districts develop salary structure under state guidelines for 4 career stages
 - Associate Teacher
 - Without professional certificate.
 - With professional certificate, evaluated as low-performing.
 - Professional Teacher
 - With professional certificate.
 - Lead Teacher
 - Department chair, grade-level leader, intern coordinator, or professional development coordinator.
 - Outstanding performance and minimum 1 year as professional teacher.
 - Mentor Teacher
 - Mentors other teachers, serves as faculty-based professional development coordinator, or participates in direct instruction of low-performing students.
 - Outstanding performance and minimum 2 years as lead teacher.



House
K-12 Finance
Work Group

Compensation Systems Combining Multiple Approaches



Kentucky – Differentiated Pay Pilot

- ❖ 2002 Legislation authorized local school districts to offer differentiated compensation plans to be added to the single salary schedule for one of the following purposes:
 - ▶ To recruit and retain teachers in critical shortage areas;
 - ▶ To help reduce the number of emergency certified teachers;
 - ▶ To provide incentives to recruit and retain highly skilled teachers to serve in difficult assignments and hard-to-fill positions;
 - ▶ To provide career advancement opportunities for classroom teachers who voluntarily wish to participate; or
 - ▶ To reward teachers for increasing their skills, knowledge, and instructional leadership within the district or school.



Kentucky – Additional Rewards and Incentives

❖ National Board Bonuses

- ▶ \$2,000 annual bonus for the teachers with current certificates, as long as they are teaching or serving as a teacher mentor in their field of NBPTS certification.

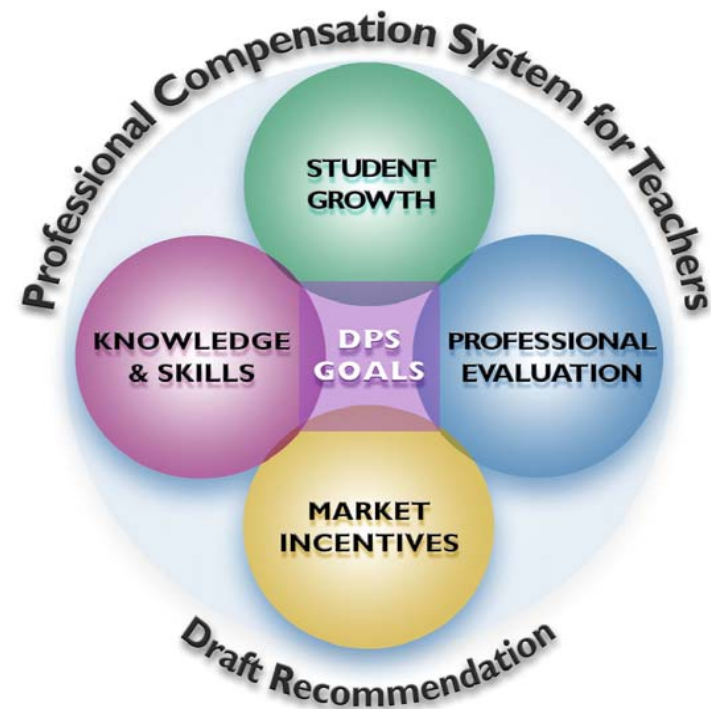
❖ School Based Rewards

- ▶ Pool of money to be distributed among all schools meeting or exceeding their improvement goal.
- ▶ Amounts vary based on numbers meeting or exceeding goals, with specified minimums and maximums in statute.
- ▶ Certificated staff in the building decide how to use the funds.



Denver Professional Compensation System

House
K-12 Finance
Work Group



Source: Denver Public Schools Website;
<http://www.denverteachercompensation.org>



Denver Professional Compensation System

- ❖ Knowledge and Skills Salary Increases
 - ▶ Completion of professional development units in a teacher's current or proposed area of assignment.
 - ▶ Advanced degrees relevant to their current or proposed assignment.
 - ▶ Current certification from the National Board for Professional Teaching Standards, relevant to current or proposed assignments.
 - ▶ Participation and completion of the Teacher in Residence Program.
- ❖ Professional Evaluation
 - ▶ New evaluation system to be piloted and adopted.
 - ▶ Goal to develop fair, manageable, and meaningful evaluation.
- ❖ Market Incentives
 - ▶ Bonuses for serving in hard-to-staff assignments and hard-to-serve schools.
- ❖ Student Growth
 - ▶ Annually, teachers set two student growth objectives in collaboration with principals or supervisors. Bonuses paid for meeting objectives.
 - ▶ In addition, teachers who exceed expectations for student growth as measured by the CSAP (state test) will receive an ongoing bonus.
 - ▶ Group bonus for teachers at schools identified as distinguished.



House
K-12 Finance
Work Group

Status of Alternatives in Washington and Lessons Learned from Implementation in Other States and Districts



Alternative Compensation Systems in Washington

- ❖ State-paid bonuses for teachers certified by the National Board for Professional Teaching Standards. \$3,500 per year while certification is current.
- ❖ State Teacher Assistance Program (TAP) provides for mentor teacher stipends. The stipend amount is determined by districts.
- ❖ Some districts are providing additional compensation for mentorship or curriculum leadership roles.
- ❖ Other local innovations also may be occurring. There is no statewide data source for these locally bargained incentives.



General Guidance on Approaches to Changing Salary Structures and Implementing New Incentives

House
K-12 Finance
Work Group

- ❖ Involvement of Key Parties
- ❖ Broad Agreement on Desired Educational Results
- ❖ Comprehensive Evaluation System
- ❖ Adequate and Stable Funding for Change
- ❖ No Quotas or Artificial Limits
- ❖ Management and Labor Partnership
- ❖ Commitment and Persistence